Rural Development Policy in Ireland

Rural development has been on the Irish public policy agenda since the late 1970s. Prior to that, the concern in rural policy was almost exclusively with agriculture. Although at the edge of Western Europe, Ireland has many similarities with Eastern European countries because of its historic heavy dependency on agriculture and small scale farming. The context to the change in rural policy includes the following:

- The decline in both the number of farms and agricultural employment; many farms had become non-viable and dependent on direct payments.
- An increasing trend towards urbanization and urban areas attracting most new investment.
- Poverty remained a significant factor in rural areas.
- There was a growing concern for the protection of the rural environment.

In response to these issues the government introduced a policy paper – *A Strategy for Rural Development in Ireland*. This document identifies the national rural development strategy as involving all government interventions directed towards the improvement of the economic, social and physical conditions of people living in rural areas.

The Irish government made a commitment to putting in place institutional arrangements which would provide coherence to rural development policy. This included the establishment of a “Lead” department – *Rural, Gaeltacht (Irish speaking*
areas) and Community Affairs – as well as regional authorities and county
development boards.

The strategy identified an on-going role for agriculture in rural development. The
need to achieve a competitive agricultural sector is accepted as a core element of an
approach to generating sustainable economic development in rural areas. Key
elements of policy in this regard include investment in agricultural modernization and
the provision of training and advisory services. Farmers are also encouraged to
develop new products, to market traditional products, to find new markets and to
receive and share up-to-date market information. Irish rural development policy,
however, recognized that the future of rural areas could not be placed exclusively in
the hands of agriculture and that there was a need for a more broadly based approach
to sustaining rural areas.

Consequently a feature of Irish rural development policy has been the role of local
groups in devising and implementing socio-economic development plans for their
areas – a “bottom up” approach to rural development. A major impetus to this
approach came from the EU’s LEADER initiative which has been adopted into Irish
government policy. LEADER has financially supported local action groups to
implement innovative economic actions. These local action groups are comprised of
a partnership which includes business people, representatives of state agencies and
local authorities and community leaders. These partnership companies put together
business plans and financially support business projects in such areas as rural tourism,
small and medium enterprises and natural resource development. Grant aid to
businesses range from €5,000 to €120,000.
Over the past twenty five years businesses in rural areas have emerged through support for local entrepreneurs from the LEADER programme and also through grant aid and advisory support made available by the County Enterprise Boards. It has been recognized that there is little prospect of attracting high technology industries to rural areas and that therefore the future sustainability of these areas depends on the initiatives of local entrepreneurs supported by local action groups and the state.

**What Lessons Can be Learned from Ireland**

Although Ireland is a relatively small country and Russia a very large one nonetheless lessons with regard to developing and implementing a rural development policy can be learned from the Irish case.

The need to achieve a competitive agricultural sector has to be a core element of generating sustainable economic development in rural areas. Rural development policy has to stimulate farm competitiveness. But rural development policy must go beyond agriculture and facilitate the emergence of alternative enterprises in rural areas.

The Irish experience indicates that there is a need to have the institutional arrangements in place which provide direction and coherence for rural development policy. Structures are required at national, regional and local levels. A “Lead” department to champion rural development is important as is also an inter-departmental committee at government level to ensure a coordinated approach to rural policy including issues such as infrastructure and public services. Local area-based
partnerships have played a critically important role in the sustainability of rural areas and are key elements of rural development policy. Such partnerships encourage local participation in identifying priority needs and solutions to such needs. The preparation of local development strategies involving a range of rural actors – business people, farmers, rural enterprises, local authorities and farm advisory services – has proved to be critically important in responding to a changing rural environment.

The success of the local partnership approach has been built on a training and capacity building programme that leads to the formation of a Local Action Board with the competence to initiate and manage rural development in its area. Such training and capacity building includes the following elements:

- Understanding the partnership-based approach to rural development
- Developing a strategic plan
- Project identification
- Project implementation
- Managing a local rural development strategy
- Networking at regional and national policy levels